



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

LINDA LINGLE
GOVERNOR
THEODORE E. LIU
DIRECTOR
MARK K. ANDERSON
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
THEODORE E. LIU
Director
Department of Business, Economic Development, and Tourism
before the
**SENATE COMMITTEE ON
JUDICIARY AND GOVERNMENT OPERATIONS**

Thursday, April 9, 2009
10:30 AM
State Capitol, Conference Room 016

in consideration of

HB 590 HD1 SD1
RELATING TO RENEWABLE ENERGY FACILITIES

Chair Taniguchi, Vice Chair Takamine and Members of the Committees.

The Department of Business, Economic Development, and Tourism (DBEDT) supports
HB 590 HD1 SD1.

DBEDT supports expediting renewable energy projects and the use of renewable energy.
Installation of renewable energy technologies moves the State of Hawaii closer to our Hawaii
Clean Energy Initiative of 70 percent clean energy by 2030. Investors from across the county
have pointed to Hawaii's permitting regime as the main hindrance to investment in Hawaii.

DBEDT feels that this amendment to Chapter 201N preserves the authority and discretion
of State and County permitting agencies that are tasked with safeguarding the public trust, while
at the same time providing some certainty to investors that their permitting applications will be
processed in a timely manner.

Thank you for the opportunity to testify.

Castle & Cooke
Hawai'i

100 Kahelu Avenue
Mililani, Hawai'i 96789-3997
P.O. Box 898900
Mililani, Hawai'i 96789-8900
O'ahu: (808) 548-4811 • Fax (808) 548-2980
Lana'i: (808) 565-3000 • Fax (808) 565-3312

Harry A. Saunders
President

April 8, 2009

Via: JGOTestimony@Capitol.hawaii.gov

The Honorable Brian Taniguchi, Chair
and Members of the Committee on Judiciary and Government Operations
Senate
Hawai'i State Capitol, Room 219
415 South Beretania Street
Honolulu, Hawai'i 96813

Dear Chair Taniguchi and Members of the Committee:

Subject: ***HB 590 HD 1 SD 1 Relating to Renewable Energy Facilities***
Hearing 10:30 am, April 9, 2009
State Capital Conference Room 016

Castle and Cooke supports HB 590 HD 1 SD1 as it refines the language of Act 207 consistent with its intent to expedite and encourage efficiency in permit processing for large renewable energy facilities.

Fostering predictability and certainty in the permitting process for large renewable energy projects will facilitate the State's renewable energy objective of reducing our reliance of fossil fuels, and will assist the State in meeting our 2030 renewable energy mandates for the health and welfare of the residents of Hawaii.

We are committed to addressing Hawai'i's over-dependence on fossil fuels and are moving forward with our wind farm project on Lāna'i. We are in the Environmental Impact Statement process and will eventually be submitting an application under Act 207 (2008) for consolidated permit processing. Our ambitious goal is to achieve 100% renewable energy on Lāna'i by using its bountiful natural resources and transforming Lāna'i into a showcase for renewable energy.

On behalf of Castle & Cooke, I respectfully request your support for HB 590 HD 1 with our suggested revision. Mahalo and thank you for your consideration of our testimony. If you have any questions, please feel free to contact us:

The Honorable Brian Taniguchi
and Members of the Committee
April 08, 2009
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Harry Saunders, President
Castle & Cooke Hawai'i
aktsukamoto@castlecooke.com
Phone: 548-4884

Richard Mirikitani, Senior Vice President and Counsel
Castle & Cooke Hawai'i
rmirikitani@castlecooke.com
Phone: 548-4890

Carleton Ching, Vice President – Community and Government Relations
Castle & Cooke Hawai'i
cching@castlecooke.com
Phone: 548-3793

Sincerely,

CASTLE & COOKE HAWAI'I

A handwritten signature in black ink, appearing to read 'H. Saunders', written over the company name.

Harry A. Saunders
President



LAND USE RESEARCH
FOUNDATION OF HAWAII
700 Bishop Street, Ste. 1928
Honolulu, Hawaii 96813
Phone 521-4717
Fax 536-0132

Via Capitol Website

April 9, 2009

**Senate Committee on Judiciary and Government Operations
Hearing Date: Thursday, April 9, 2009, at 10:30 AM in CR 016**

**Testimony in Support of HB 590 HD2, SD1 with amendments
Relating to Renewable Energy Facilities
(Allows permit approval if no further action or processing within 18 months
of application.)**

Honorable Chair Brian Taniguchi, Vice Chair Dwight Takamine and
Senate Members of the Judiciary and Government Operations Committee:

My name is Dave Arakawa, and I am the Executive Director of the Land Use Research Foundation of Hawaii (LURF), a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. One of LURF's missions is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawai'i's significant natural and cultural resources and public health and safety.

LURF **supports HB 590 HD2, SD1**, which sets a time limit for the filing of the diligence report with the energy resources coordinator; and allows the energy resources coordinator to deem a permit approved if no further action or processing is reported by the permitting agency within eighteen months of the completed application. As discussed below, we are **also respectfully requesting a clarifying amendment to the bill**.

HB 590 HD2, SD1. By way of background, Act 207 Session laws of Hawaii 2008, established the renewable energy facility siting process to expedite the processing and approval or denial of any permit plan application for the siting, development, construction and operation of a renewable energy facility. The purpose of this bill is to further expedite the process and give the energy resources coordinator the necessary power and authority to expedite the development of renewable energy facilities, while still protecting the public's health, safety and welfare.

This measure proposes to amend Section 201N-4, subsection (g) of the Hawaii Revised Statutes as follows:

"(g) Each appropriate state and county agency shall diligently endeavor to process and approve or deny any permit in the permit plan no later than twelve months after a completed permit plan application is approved by the coordinator. If the coordinator has given at least thirty days written notice stating that the permit plan application is subject to this section and a permit is not approved or denied within twelve months after approval of a completed permit plan application, the permitting agency, within thirty days following the end of the twelve-month period, shall provide the coordinator with a report identifying diligent measures that are being taken by the agency to complete processing and take action as soon as practicable. If no further processing and action are reported by the permitting agency within five months following the end of the thirty-day agency report period, the coordinator may deem the permit approved. If a permitting agency fails to provide this report and if the permit has not been approved or denied within eighteen months following the approval of a completed permit plan application by the coordinator, the permit shall be deemed approved."

LURF'S POSITION. LURF and its members support and employ solar energy and renewable energy devices and we also **support the general intent of HB 590 HD1, SD1**, which will expedite the permitting process for any investor wanting to build a renewable energy facility. LURF and its members also agree that we, as a community, should work to conserve energy, and we also believe that the choice of renewable energy devices should be voluntary and governed by market forces and government incentives, rather than by government mandates and regulations. As discussed below, we are also respectfully **requesting consideration of an amendment to this bill**, which is consistent with the original intent of Act 207 (2008) and would help to clarify the permit approval process for renewable energy projects.

On February 17, 2009, Joshua Strickler, Renewable Energy Facilitator of the Department of Business, Economic Development and Tourism made a presentation before the House Energy and Environmental Protection Committee. In that presentation, Mr. Strickler included the following facts in his presentation:

- There are over thirty renewable energy companies interested in investing in Hawaii;
- Most investors recognize the potential of Hawaii's natural resources to produce clean energy, particularly ocean waves, water, wind, sun and agricultural production;
- In some cases, there may be up to 109 permits that may be required for a renewable energy project with 25 different Federal, State and County agencies;
- Expediting the permitting process for renewable energy facilities will reassure energy technology investors that the facility can be built in a timely fashion.

Based on the current circumstances, assistance with the expediting of the permitting process will increase the interest of renewable project investments in Hawaii and help achieve the goal of fossil fuel independence.

PROPOSED AMENDMENTS. LURF respectfully requests that this Committee consider the following amendment to the last sentence in Section 201N-4(g) of the bill:

If a permitting agency fails to provide this report ~~and~~ or if the permit has not been approved or denied within eighteen months following the approval of a completed permit plan application by the coordinator, the permit shall be deemed approved.

LURF is requesting changing “and” to “or” to clarify what happens in a situation where the agency files a report, but does not approve or deny within 18 months, - - in which case the permit should be considered approved. In other words, both conditions should not have to exist in order for the permit to be approved.

This proposed revision is consistent with the intent of this provision as noted in the 2008 Session Conference Committee Report No. 496 relating to HB 2863 HD2, SD2, CD1, which became Act 207 (2008). Paragraph 7 of the Conference Committee Report notes that “[r]equiring permits that have not been approved or denied within eighteen months of the acceptance of the permit plan by the Coordinator to be automatically approved.” LURF respectfully requests this amendment be made to further clarify that if either the permitting agency fails to provide the report or if the permit has not been approved or denied within eighteen months then the permit will be deemed approved.

Based on the above, we respectfully request your **favorable consideration of HB 590 HD2, SD1 with the proposed amendments.**

Thank you for the opportunity to express our **support for HB 590 HD1, SD1, with the proposed amendments.**